

AMENDED IN ASSEMBLY JUNE 5, 2008

SENATE BILL

No. 973

Introduced by Senator Simitian

February 23, 2007

~~An act to add Chapter 10 (commencing with Section 105490) to Part 5 of Division 103 of the Health and Safety Code, relating to public health.~~
An act to add Section 1347 to, and to add Chapter 1.6 (commencing with Section 155) to Part 1 of Division 1 of, the Health and Safety Code, relating to health benefits.

LEGISLATIVE COUNSEL'S DIGEST

SB 973, as amended, Simitian. ~~Chemicals of concern.~~ *California Health Benefits Service Program.*

Existing law creates various health benefits programs administered by the Managed Risk Medical Insurance Board and the State Department of Health Care Services.

The bill would create the California Health Benefits Service Program within the State Department of Health Care Services. The bill would require the department to perform various duties, subject to the availability of sufficient private donations, as determined by the Department of Finance, relative to creation of joint ventures between certain county-organized health plans and various other entities. The bill would require these joint ventures to be licensed as health care service plans and, subject to the availability of sufficient private donations, as determined by the Department of Finance, would create a stakeholder committee, as specified. The bill would also authorize the Director of Managed Health Care to provide regulatory and program flexibilities to facilitate licensing of specified entities providing coverage pursuant to the bill.

~~Existing law requires the State Department of Public Health, in collaboration with the California Environmental Protection Agency to establish the California Environmental Contaminant Biomonitoring Program to monitor the presence and concentration of designated chemicals, as defined, in Californians.~~

~~This bill would require the Director of Toxic Substances Control, by March 1, 2008, to compile a list of chemicals of concern, which would be defined as substances for which the Canadian Minister of the Environment has made a specified recommendation, on or before January 1, 2007, pursuant to the Canadian Environmental Protection Act, 1999, and to post this list on the Internet Web site of the Department of Toxic Substances Control.~~

~~The bill would require a manufacturer or distributor of a chemical identified on the posted list who sells or uses that chemical in this state to provide the department, by September 1, 2008, information determined by the department regarding the sale and use of that listed chemical by that manufacturer or distributor in this state.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 1.6 (commencing with Section 155) is
2 added to Part 1 of Division 1 of the Health and Safety Code, to
3 read:

4
5 CHAPTER 1.6. CALIFORNIA HEALTH BENEFITS SERVICE

6
7 155. (a) The California Health Benefits Service Program is
8 hereby created within the State Department of Health Care
9 Services for the purpose of expanding cost-effective public health
10 coverage options to the uninsured and purchasers of health
11 insurance, including individuals, families, employers, and other
12 health plan sponsors. The program shall do all of the following:
13 (1) Identify statutory, regulatory, or financial barriers or
14 incentives that should be addressed to facilitate the establishment
15 and maintenance of one or more joint ventures between health
16 plans that contract with, or are governed, owned, or operated by,
17 a county board of supervisors, a county special commission, a
18 county-organized health system, or a county health authority

1 *authorized by Section 14018.7, 14087.31, 14087.35, 14087.36,*
2 *14087.38, 14087.96, or Article 2.8 (commencing with Section*
3 *14087.5) of Chapter 7 of Part 3 of Division 9 of the Welfare and*
4 *Institutions Code, as well as the County Medical Services Program.*

5 *(2) Identify statutory, regulatory, or financial barriers or*
6 *incentives that should be addressed before joint ventures among*
7 *these health plans may be formed, or existing health plans or the*
8 *County Medical Services Program may expand to serve other*
9 *geographic areas, for the purposes of providing public health care*
10 *services in counties where there is not a local initiative or*
11 *county-organized health plan that contracts with the State*
12 *Department of Health Care Services or the County Medical*
13 *Services Program, participating in these joint ventures.*

14 *(3) Report these initial findings to the committees of jurisdiction*
15 *in the Senate and Assembly on or before January 15, 2009.*

16 *(4) Provide technical assistance to local health care delivery*
17 *entities, including local initiatives, county-organized health*
18 *systems, and the County Medical Services Program, to support*
19 *joint ventures and efforts by these entities to expand to serve other*
20 *geographic areas and specified populations, or to contract with*
21 *providers to provide health care services in counties where there*
22 *is not a local initiative or county-organized health plan that*
23 *contracts with the State Department of Health Care Services that*
24 *opts to participate in such joint ventures, or participation from*
25 *the County Medical Services Program.*

26 *(5) Consistent with the report and recommendations provided*
27 *pursuant to this section and consistent with existing law, the*
28 *department may enter into contracts with joint ventures authorized*
29 *pursuant to this section to provide medical services to specified*
30 *populations, as determined by the program.*

31 *(b) Health plans that contract with or are governed, owned, or*
32 *operated by, a county board of supervisors, a county special*
33 *commission, a county-organized health system, or county health*
34 *authority authorized by Section 14018.7, 14087.31, 14087.35,*
35 *14087.36, 14087.38, 14087.96, or Article 2.8 (commencing with*
36 *Section 14087.5) of Chapter 7 of Part 3 of Division 9 of the Welfare*
37 *and Institutions Code, and the County Medical Services Program,*
38 *may form joint ventures to create integrated networks of public*
39 *health plans that pool risk and share networks.*

1 (1) In forming joint ventures, participating health plans shall
2 seek to contract with designated public hospitals, county health
3 clinics, community health centers, and other traditional safety net
4 providers.

5 (2) All joint ventures and health care networks established
6 pursuant to this section shall seek licensure as a health care service
7 plan consistent with the Knox-Keene Health Care Service Plan
8 Act of 1975 (Chapter 2.2 (commencing with Section 1340) of
9 Division 2 of the Health and Safety Code). Prior to commencement
10 of enrollment, the joint venture or health care network shall be
11 licensed pursuant to that act.

12 (c) (1) There is hereby created the California Health Benefits
13 Service Program Stakeholder Committee. The committee shall be
14 comprised of 10 members appointed as follows:

15 (A) The Director of Health Care Services shall appoint six
16 members, including two representatives of local initiatives
17 authorized under the Welfare and Institutions Code, a
18 representative of county-organized health systems, a representative
19 of the County Medical Services Program, a representative of health
20 care providers, and a representative of employers.

21 (B) The Senate Committee on Rules shall appoint two members,
22 including a labor representative and a representative of health
23 care consumers.

24 (C) The Speaker of the Assembly shall appoint two members,
25 including a representative of local initiatives authorized under the
26 Welfare and Institutions Code, and a representative of organized
27 labor.

28 (2) The committee shall meet at least quarterly to provide input
29 to the program and assist the program in carrying out its
30 responsibilities as outlined in this section.

31 (3) The members of the committee shall serve without
32 compensation, and no public funds may be used to compensate
33 members for expenses.

34 (d) On or before November 1, 2009, and annually thereafter,
35 the department shall update the committees of jurisdiction in the
36 Senate and Assembly on implementation of this section and make
37 recommendations, as applicable, on changes necessary to
38 implement this section. The update shall also include progress on
39 the purpose of this section and recommendations on resources,
40 policy, and legislative changes necessary to build and implement

1 a system of public health coverage throughout California. The
2 update shall describe the projects proposed or established pursuant
3 to this section, including, but not limited to, the participating
4 providers, the groups covered, the physicians and hospitals in the
5 network, and the counties served.

6 (e) The committee shall consult with relevant departments,
7 including the Department of Managed Health Care, in the
8 implementation of this section.

9 (f) Nothing in this section shall be construed to prohibit any
10 other licensed health care service plan not mentioned in
11 subdivisions (b) and (c) from entering into joint ventures or
12 contracts with the State Department of Health Care Services to
13 provide services in counties in which there is not a Medi-Cal
14 managed care health plan that contracts with the department.

15 (g) No public funds shall be used to implement the duties
16 described in paragraphs (1) to (4), inclusive, of subdivision (a),
17 or to support the activities of the committee established pursuant
18 to subdivision (c). The department shall implement the duties
19 described in paragraphs (1) to (4), inclusive, of subdivision (a),
20 and shall convene the committee established pursuant to
21 subdivision (c), only upon a determination made by the Department
22 of Finance that private donations in an amount sufficient to fully
23 support these duties and activities have been deposited with the
24 state.

25 SEC. 2. Section 1347 is added to the Health and Safety Code,
26 to read:

27 1347. The director is authorized to provide regulatory and
28 program flexibilities to facilitate new, modified, or combined
29 licenses of local initiatives and county-organized health systems,
30 and the County Medical Services Program created pursuant to
31 this chapter or the California Health Benefits Service Program,
32 that seek licensure for regional or statewide networks for the
33 purposes of contracting with the Managed Risk Medical Insurance
34 Board, or for the purposes of providing coverage in the individual
35 and group coverage markets. In providing those flexibilities, the
36 director shall ensure that the health plans established pursuant to
37 this section meet essential financial, capacity, and consumer
38 protection requirements of this chapter.

1 ~~SECTION 1. Chapter 10 (commencing with Section 105490)~~
2 ~~is added to Part 5 of Division 103 of the Health and Safety Code;~~
3 ~~to read:~~

4
5 ~~CHAPTER 10. CHEMICALS OF CONCERN~~
6

7 ~~105490. The Legislature finds and declares all of the following:~~
8 ~~(a) Under the Canadian Environmental Protection Act, 1999,~~
9 ~~both the Ministry of the Environment and the Ministry of Health~~
10 ~~are responsible for developing a list of substances that are required~~
11 ~~to be assessed in a timely manner to determine if they are toxic or~~
12 ~~capable of becoming toxic.~~

13 ~~(b) Beginning in 1999, the Government of Canada set a goal to~~
14 ~~review a list of 23,000 chemical substances to determine if a~~
15 ~~specific substance posed a hazard to human health or the~~
16 ~~environment.~~

17 ~~(c) In September 2006, the Government of Canada issued a~~
18 ~~notice that the review was completed and published a list of~~
19 ~~substances identified as potentially posing hazards to human health~~
20 ~~or the environment known as the Priority Substances List.~~

21 ~~For purposes of this chapter, “chemicals of concern” means a~~
22 ~~substance for which the Canadian Minister of the Environment~~
23 ~~has recommended, on or before January 1, 2007, the~~
24 ~~implementation of virtual elimination, as specified in paragraph~~
25 ~~(c) of subsection (2) of Section 77 of the Canadian Environmental~~
26 ~~Protection Act, 1999.~~

27 ~~105492. (a) On or before March 1, 2008, the Director of Toxic~~
28 ~~Substances Control shall compile a list of the chemicals of concern.~~
29 ~~The director shall post the list on the Internet Web site of the~~
30 ~~Department of Toxic Substances Control.~~

31 ~~(b) On or before September 1, 2008, a manufacturer or~~
32 ~~distributor of a chemical listed pursuant to subdivision (a) who~~
33 ~~sells or uses that chemical in this state shall provide the Department~~
34 ~~of Toxic Substances Control information determined by the~~
35 ~~Department of Toxic Substances Control regarding the sale and~~
36 ~~use of that listed chemical by that manufacturer or distributor in~~
37 ~~this state.~~